

## Advocates for Ohio's Future House Bill 198 - Proponent Testimony House Civil Justice Committee - June 11, 2019

Chairman Hambley, Vice Chair Patton, Ranking Member Brown and Members of the House Civil Justice Committee, my name is Kelsey Bergfeld, and I am the Coalition Manager of Advocates for Ohio's Future (AOF).

Thank you for the opportunity to provide comments on House Bill 198 regarding the pass-through of child support dollars to families receiving Ohio Works First (OWF) cash assistance through the Temporary Aid for Needy Families (TANF) program.

AOF is a nonpartisan coalition of nearly 500 Ohio organizations that promotes health and human service budget and policy solutions so that all Ohioans live better lives. Our coalition believes in investing in our state's most valuable resource—our people—to ensure that they are safe, healthy, and can access pathways to prosperity for themselves and their families.

HB 198 allows child support payments to families on OWF cash assistance to stay with the child instead of assigning it to the state. It also allows for up to \$200 per month to be disregarded in terms of determination for eligibility requirements. We believe these additional dollars could make a real difference in providing basic necessities for vulnerable children and families.

To be eligible for OWF cash assistance, applicants must have a minor child or pregnant woman (at least six months pregnant) in the assistance group. Families must also have incomes of no more than 50% of the FPL (about \$10,000 annually for a family of three in 2019), and can only receive benefits for up to 36 months. OWF payments only increase by a small cost of living adjustment each year that provides little more than a few additional dollars each month.

Own benefics by assistance group size in 2010		
Assistance Group Size	OWF Payment	
1	\$	289.00
2	\$	395.00
3	\$	483.00
4	\$	596.00
5	\$	698.00

OWF benefits by assistance group size in 2018

According to data from the Administration for Children and Families within the U.S. Department of Health and Human Services, in 2016, only about nine out of 100 families receiving Ohio Works First (OWF) had income beyond cash assistance. Families use these dollars to purchase essentials like toothpaste, shampoo, laundry soap, diapers and clothing or to pay school fees.

## Advocates for Ohio's Future

175 S. Third Street Suite 350, Columbus, OH 43215 614-745-0740 ext. 305 | kbergfeld@communitysolutions.com www.advocatesforohio.org Child support itself is a major anti-poverty program.<sup>1</sup> According to the Ohio Child Support Enforcement Agency (CSEA) Directors Association, Ohio performs better than most states and collects nearly 70% of child support owed. Research shows that non-custodial parents who remain current in providing child support also have contact with their children and stay involved both financially and emotionally.<sup>2</sup> We also know that non-custodial parents are more likely to adhere to their child support orders when they know their dollars are going straight to supporting their children.<sup>3</sup>

More than half of states have exercised flexibility under federal law to "pass through" some or all of the child support payment to families, who are not required to count it as income when calculating their TANF benefit. The amounts disregarded in eligibility calculations in the bill (\$100 for one child, \$200 for two or more children) also fall under the amount the federal government will waive for the TANF State Maintenance of Effort contribution.

HB 198 would strengthen children and families by providing additional dollars for their basic needs. Though AOF supports the overall intent of the bill, a number of our members have a few concerns regarding cost to the state and administrative burdens its enactment would place on county JFS and CSEA systems and staff. We understand that our members and other stakeholders are working closely with the bill sponsor and JFS on a number of changes to ease the administrative burden of implementation and ensure our county offices have the support necessary to execute the intention of this proposal. We look forward to being a part of that process.

Thank you for the opportunity to testify today. We urge your support for HB 198 and its intention to promote families and support the basic needs of vulnerable children.

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<sup>&</sup>lt;sup>1</sup> Berger, Lawrence M., "A New Safety Net for 21st-Century Families," Bold Visions: Blueprints for Ending Poverty, Pathways Magazine, Stanford Center on Poverty & Inequality, Spring 2017, p. 23.

<sup>&</sup>lt;sup>2</sup> Final Impact Findings from the Child Support Noncustodial Parent Employment Demonstration (CSPED)

https://www.irp.wisc.edu/wp/wp-content/uploads/2019/03/CSPED-Final-Impact-Report-ExecSum-2019.pdf

<sup>&</sup>lt;sup>3</sup> https://www.clasp.org/blog/child-support-pass-through-amounts-must-be-increased